



Meeting Minutes | Board of Directors Meeting

Wednesday, March 6, 2024 | 2:30 p.m.

202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes approved June 26, 2024

Board Members Present for All or a Portion of the Meeting: Ms. Jennifer Blumenthal, Mr. Calvin Elam, Mr. Steve Heisler, Ms. Paige Lewis, Sheriff Steve Mueller, Chairman Joe “Rocky” Pearce, and Mr. Alex Shissias.

Board Members Present for All or a Portion of the Meeting Via Virtual Means: Ms. Amanda Blankenship and Mr. Steve Matthews.

Board members absent: Mr. John Sowards and Mr. Ed Walton.

Others Present for All or a Portion of the Meeting: Ashley Brindle, Peggy Boykin, Robby Brown, Amber Carter, Justin Ellis, Heather Muller, Tammy Nichols, Rob Tester, Katie Turner, Travis Turner, Angie Warren, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); and Geoff Berg, Kara Brurok, and Mike Hitchcock from the South Carolina Retirement System Investment Commission.

Others Present for All or a Portion of the Meeting Via Virtual Means: Jessica Moak from PEBA.

I. Call to Order

Chairman Rocky Pearce called the PEBA Board of Director’s (Board) meeting to order at 2:30 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of Meeting Minutes- December 6, 2023

Mr. Steve Heisler made a motion, which was seconded by Mr. Alex Shissias, and passed unanimously, to approve the minutes from the December 6, 2023, Board meeting.

III. Retirement Systems Investment Performance Update

Mr. Geoff Berg, Chief Investment Officer, and Mr. Mike Hitchcock, Chief Executive Officer, from the South Carolina Retirement System Investment Commission reviewed the December 31, 2023, quarterly report, and stated that there was a 6.73 percent positive return for the quarter, and 4.75 percent positive return fiscal year-to-date.

IV. Committee Reports

A. Health Care Policy Committee

Committee Chairman Alex Shissias reported that the Health Care Policy Committee met in the morning and received a presentation from BlueCross BlueShield of South Carolina regarding the implementation of new health care initiatives for the State Health Plan (SHP).

Chairman Shissias also reported that the Committee received an update on the Hello Heart program which is a digital platform that focuses strictly on heart health in the SHP. Chairman Shissias noted that hypertension is the third largest cost driver for the SHP.

Chairman Shissias stated that Mr. Rob Tester, Insurance Policy Director, presented the SHP benchmarking review in which key SHP measures are compared with peer and national benchmarks, and advised that the SHP continues to compare favorably to other public and private employers, regionally and nationally.

Chairman Shissias stated that the Health Care Policy Committee moves that the PEBA Board amend the definition of “Employee” for the purposes of eligibility to participate in state insurance benefits program, effective immediately, to allow the councils of participating counties and municipalities to exercise a one-time, irrevocable option to exclude their councilmembers from the definition of “Employee.” Chairman Pearce reminded the Board that a Committee motion does not require a second. The motion passed unanimously.

B. Finance, Administration, Audit and Compliance (FAAC) Committee

Ms. Jennifer Blumenthal reported that the FAAC Committee met earlier in the morning, and Mr. John Page, Director of Internal Audit, presented an internal audit report related to Securities Lending Account Review. Ms. Blumenthal further reported that Mr. Page also provided the 2024 PEBA Internal Audit Plan to the Committee for approval, and advised that the Committee approved the PEBA 2024 Internal Audit Plan as presented.

C. Retirement Policy Committee

Ms. Lewis reported that the Retirement Policy Committee met that afternoon, and CapTrust presented the South Carolina Defined Contribution Plans Quarterly Investment Performance Report for the quarter ended December 31, 2023. Ms. Lewis stated that at the December 6, 2023 meeting, CapTrust recommended several investment option changes, which were adopted by the Board, that will become effective April 25, 2024.

Ms. Lewis stated that Ms. Nancy Ornduff, from Empower, presented the fourth quarter of 2023 Deferred Comp quarterly plan summary to the Committee.

Ms. Lewis added that Mr. David Rowe, Ms. Elke De La Cruz, and Ms. Audrey Bailey, from Corebridge Financial, presented a service overview of the State ORP administered through Corebridge. It was noted that Corebridge is one of four service providers for the State ORP.

V. Old Business

Director’s Report

Ms. Boykin provided the Director’s Report, and stated that both the Governor’s budget and the House Ways and Means budget includes full funding of the State Health Plan, with an 11.8 percent increase for employers, and no premium increases for employees. Ms. Boykin stated that the full House will deliberate the budget next week, then Senate Finance will start their deliberations.

Ms. Boykin advised that Gabriel, Roeder, Smith & Company (GRS), PEBA's external actuary, is working on the current Experience Study, which is conducted every four years, and they will be making their report to the Board at the June 26, 2024, meeting. Mrs. Boykin added that GRS continues to provide fiscal impact statements to the General Assembly.

Ms. Boykin reminded the Board that the General Assembly suspended the requirement for PEBA to have a fiduciary audit last year, and PEBA had an actuarial audit conducted instead.

VI. Adjournment

There being no further business, and upon a motion by Mr. Heisler, which was seconded by Mr. Calvin Elam, and approved unanimously, the Board meeting adjourned at 2:54 p.m.